

3/10/03

## **2003 Proposition 13 Urban Water Conservation Program DRAFT FUNDING RECOMMENDATIONS**

### **INTRODUCTION**

The CALFED Bay-Delta Program is a cooperative effort of State and federal agencies with management or regulatory responsibilities for the Bay-Delta. The Water Use Efficiency (WUE) Program, an integral part of the CALFED initiative, is dedicated to accelerating the implementation of cost-effective actions to conserve and recycle water throughout the State.

A key WUE strategy articulated in CALFED's August 2000 Record of Decision is to implement an incentive-based program that provides grants for actions that contribute to CALFED objectives. In October 2002, the California Department of Water Resources (DWR) issued the 2003 Urban Water Conservation Grant Application Package, (funded through Proposition 13) in collaboration with the WUE Agency Team consisting of staff from DWR, the State Water Resources Control Board (SWRB), U.S. Bureau of Reclamation (USBR), Natural Resources Conservation Service (NRCS), and California Bay Delta Authority.

This document provides an overview of the application review and selection process and draft funding recommendations. It is presented in two sections:

#### ***Section One: Process Overview***

#### ***Section Two: Draft Funding Recommendations***

### **SECTION 1: Process Overview**

The 2003 Urban Water Conservation Grant Application Package was released on October 1, 2002 with applications due December 3, 2002.

DWR conducted four workshops in early October in Modesto, Rancho Cucamonga, Davis, and Red Bluff. Application materials were made available at the workshops, on DWR's website, and by mail upon request. DWR's Office of Water Use Efficiency's Financial Assistance team and economists provided technical assistance via e-mail and telephone.

A total of 60 applications were received. This represented more than \$44 million in funding requests, with a pledge of local cost share of over \$18 million. Available funding from Proposition 13 was \$18.1 million.

The application review and selection process, stretching over a three-month period, was composed of three key stages: eligibility and technical review, panel review, and the WUE Agency Team review.

### • **Eligibility and Technical Review**

DWR first screened applications for applicant and project eligibility. Staff also confirmed that the applicants had complete Urban Water Management Plans. Applicants subject to the Urban Water Management Planning Act must have adopted a complete plan that meets the requirements of the law and submitted it to DWR to be eligible for Proposition 13 funding.

Three projects were found ineligible, two because they were not capital outlay projects and the third because the project life was less than seven years, as required in the application package.

All eligible applications were then reviewed by an economics team and a science team. These reviews, conducted by individuals drawn from CALFED agencies and consultants, were designed to generate detailed, project-by-project critiques on specific criteria outlined in the application package. The Technical Teams provided written comments for each proposed project. As appropriate, the Technical Teams also indicated where and why projects did not, in their view, merit funding. This information was provided to the Review Panel and the WUE Agency Team.

### • **Panel Review**

The Technical Team members and the Review Panel, a group of 26 highly qualified individuals drawn from CALFED agencies and environmental, urban, agricultural and environment justice stakeholder groups actively involved in water use efficiency programs, attended an orientation meeting held January 13, 2003. The session provided reviewers an opportunity to discuss the proposed scoring criteria; to better understand the process and their roles; and to establish ground rules regarding confidentiality and conflict of interest.

The review panel evaluated projects based on six primary criteria:

- 1) technical/scientific merit, feasibility, monitoring and assessment;
- 2) qualifications of the applicants and cooperators;
- 3) innovation;
- 4) relevance and importance;
- 5) outreach, community involvement and acceptance; and
- 6) benefits and costs.

The panelists were organized into five teams with four to six people in each. They read and rated (individually) the same 10 to 20 applications other members of their team received. The panelists submitted preliminary scores which were then averaged with those in their team to generate a preliminary average score for each application.

The Review Panel convened on February 18, 2003, to participate in a comprehensive discussion of each application within each team. These discussions provided opportunities for individuals to share information and perspectives on the

various projects, as well as identify and normalize scoring discrepancies across the different review teams, as each individual panelist saw fit. Technical Team members also were on-hand to answer questions and provide explanations, as needed, regarding their review of the projects. Final scores were submitted at the end of the meeting.

• **WUE Agency Team Review.**

The WUE Agency Team met on February 25, 2003 to develop the draft recommended funding package, relying heavily but not solely on the Review Panel's final average scores and comments. In addition to the Review Panel's evaluations, the WUE Agency Team endeavored to develop a package of draft funding recommendations that would include a diversity in project type, geographic distribution, and project size. The draft funding recommendations outlined below represent the consensus view of the WUE Agency Team.

**Public Comment.** A public workshop will be held in Sacramento April 3, 2003 to announce the draft funding recommendations. Applicants will be notified by e-mail about the workshop and also will be given an opportunity to comment via e-mail, fax, or letter. The WUE Agency Team will review the comments received at the April 3 public workshop and other comments received during the public comment period (until April 10) and make any appropriate changes.

**CALFED/DWR Review.** CALFED will review the WUE Agency Team's final funding package in early May, 2003. DWR's Director will approve the final funding package by June 15, 2003.

## **Section Two: Draft Funding Recommendations**

The draft list of proposals recommended for funding follows in Attachment A. Information includes a project-by-project look at the Review Panel's average numeric scores (on a scale of 0 to 100) and the WUE Agency Team's comments and recommendations. Reviewers' scores and comments for each project will be available to applicants upon request once the final recommendations are posted.

Proposed funding highlights are as follows:

- **\$18,090,185** in grant funding to **25** projects
- Projects located throughout the State: **11** in the north and **14** in the south.
- All projects that received an average score of 70 points or more, the minimum score for fundable projects established in the grant application package, are recommended for funding.

## **Summary of Urban Projects Recommended for Funding by Project Type**

<b>Project type</b>	<b># of projects</b>	<b>\$ amount</b>
Infrastructure, meters	<b>3</b>	<b>\$1,635,907.00</b>
Commercial, industrial, institutional	<b>9</b>	<b>\$5,023,610.00</b>
Landscape irrigation, including ET controllers	<b>7</b>	<b>\$5,747,723.00</b>
Residential high efficiency washers, toilets	<b>6</b>	<b>\$5,682,945.00</b>
<b>Total</b>	<b>25</b>	<b>\$18,090,185.00</b>

## **Contractual Requirements**

In an effort to generate more effective scientific data related to this set of projects, DWR will be requesting standardized reporting from the contractors related to water savings, other benefits, and expenditures. This will involve, for example, establishing a baseline record of water use prior to project implementation, tracking of water use during the project, and reporting water use and savings annually for five years after project completion. DWR will work with the contractors individually to develop an appropriate monitoring and evaluation plan for each project.

## **ATTACHMENTS**

**Attachment A: Projects Recommended for Funding**

**Attachment B: Projects NOT Recommended for Funding**

**Attachment C: Ineligible Projects**

## Attachment A: Projects Recommended for Funding

Score	Application #	Applicant	Project Title	Funds Requested	Recommended Funding	Comments
89.00	2003021	San Diego County Water Authority	Hospital X-Ray Film Processor Re-circulating System	\$623,500.00	\$623,500.00	
89.00	2003011	East Bay Municipal Utility District	X-Ray Processor Recycling Capital Outlay Project	\$152,400.00	\$152,400.00	
86.60	2003025	Santa Monica, City of	Comprehensive Medical Facility Turn-Key Program	\$126,300.00	\$126,300.00	fund x-ray, cooling towers & urinals, not spray heads
85.50	2003002	Contra Costa Water District	Targeted Multi Family Toilet Replacement Program	\$203,670.00	\$203,670.00	
83.80	2003023	Long Beach Water Department	CII-School Zero Consumption Urinals Direct Install	\$168,625.00	\$168,625.00	
83.00	2003003	Santa Barbara County Water Agency	Santa Barbara County CII Rebate Program	\$268,600.00	\$268,600.00	
80.60	2003012	San Diego County Water Authority	Commercial Landscape Incentive Program	\$1,125,000.00	\$1,125,000.00	
80.50	2003008	Montara Sanitary District	Water Conservation Program (toilets and washers)	\$190,000.00	\$190,000.00	
78.50	2003016	Metropolitan Water Dist. of Southern Calif.	Industrial Process Capital Improvement	\$348,630.00	\$348,630.00	
78.40	2003015	Metropolitan Water Dist. of Southern Calif.	Residential High Efficiency Clothes Washer Rebate	\$2,700,000.00	\$2,500,000.00	fund at reduced amount
77.80	2003047	Regional Water Authority	Large Landscape Irrigation System Incentive Prog.	\$1,950,000.00	\$975,000.00	fund at 50% per recommendation of review panel
76.60	2003043	Santa Clara Valley Water District	Targeted Irrigation System Hardware Upgrades	\$100,000.00	\$100,000.00	
76.00	2003050	Placer County Water Agency	Water Line Replacement Project	\$255,185.00	\$255,185.00	
76.00	2003045	Inland Empire Utilities Agency	Water Cons. Prog. - Inst. For Men & Assoc. Facilities.	\$2,340,000.00	\$2,059,555.00	fund water closets and irrigation, not shower retrofits
75.00	2003033	Yucaipa Valley Water District	High Efficiency Plumbing Fixture Program	\$98,900.00	\$98,900.00	fund ULFT's, not shower head kits

## Attachment A: Projects Recommended for Funding

Score	Application #	Applicant	Project Title	Funds Requested	Recommended Funding	Comments
74.80	2003019	Central Basin Municipal Water District	Enhanced Rebates CII - Zero Water Consump. Urinals	\$780,000.00	\$780,000.00	
73.50	2003010	East Bay Municipal Utility District	Regional Resource Efficient Clothes Washer Rebate	\$4,380,750.00	\$2,190,375.00	fund at 50% per recommendation of review panel
72.80	2003054	Tulare County Water Works District	Alpaugh Water Meter Retrofit Program	\$70,200.00	\$70,200.00	
72.50	2003017	Metropolitan Water Dist. of Southern Calif.	ET Controller Installation Project	\$2,350,509.00	\$1,778,700.00	fund at "low level" per recommendation of review panel
72.00	2003013	Placentia, City of	Tri-City Park Irrigation System Upgrade	\$58,298.00	\$58,298.00	
70.80	2003009	East Bay Municipal Utility District	ET Controller Installation Proj.	\$2,285,238.00	\$1,660,725.00	fund at "low level" per recommendation of review panel
70.80	2003035	Paradise Irrigation District	Main Replacement Project	\$1,310,522.00	\$1,310,522.00	
70.60	2003004	Los Altos, City of	ET Controller Installation in 6 City Parks	\$50,000.00	\$50,000.00	
70.50	2003042	Santa Clara Valley Water District	Innovative High-Effic. Commercial Equip. Retrofits	\$496,000.00	\$496,000.00	
70.50	2003029	Los Osos Community Services District	LOCSD Water Conservation Toilet Retrofit Program	\$1,000,000.00	500,000.00	fund at 50%
<b>TOTAL</b>					<b>\$18,090,185.00</b>	

## Attachment B: Projects NOT Recommended for Funding

Score	Application #	Applicant	Project Title	Funds Requested	Comments
67.80	2003052	Placer County Water Agency	Auburn Bowman System Audit Leak Detection Repair	\$168,100.00	no project with average score of less than 70 points funded, per grant application package
66.80	2003036	Dublin San Ramon Services District	Residential Meter Upgrade	\$632,500.00	no project with average score of less than 70 points funded, per grant application package
66.80	2003005	San Diego County Water Authority	Res. Hi-Eff. Clothes Washer Voucher Incentive Prog.	\$1,650,000.00	no project with average score of less than 70 points funded, per grant application package
66.40	2003048	Regional Water Authority	Rain Sensor Device Installation Program	\$1,902,000.00	no project with average score of less than 70 points funded, per grant application package
66.40	2003034	Paradise Irrigation District	Leak Detection & Repair Program	\$114,458.00	no project with average score of less than 70 points funded, per grant application package
65.60	2003032	Yucaipa Valley Water District	Irrigation System Efficiency Improvements	\$100,000.00	no project with average score of less than 70 points funded, per grant application package
65.20	2003031	South Tahoe Public Utility District	Landscaping Incentives Project	\$366,663.00	no project with average score of less than 70 points funded, per grant application package
65.00	2003018	Metropolitan Water Dist. of Southern Calif.	Regional Pool Cover Rebate Project	\$250,000.00	no project with average score of less than 70 points funded, per grant application package
65.00	2003044	Concord, City of	Rain Master ET Controller Irrigation System Inst.	\$276,750.00	no project with average score of less than 70 points funded, per grant application package
64.50	2003024	Pomona, City of	Ultra Low-Flow Toilet Distribution Program	\$135,000.00	no project with average score of less than 70 points funded, per grant application package
64.20	2003053	Placer County Water Agency	Canal Lining	\$528,008.00	no project with average score of less than 70 points funded, per grant application package

## Attachment B: Projects NOT Recommended for Funding

Score	Application #	Applicant	Project Title	Funds Requested	Comments
63.60	2003038	El Dorado Irrigation District	EID Main Canal Lining Project	\$2,882,000.00	no project with average score of less than 70 points funded, per grant application package
62.20	2003056	West Covina, City of	Water Conservation Field Improvements at Parks	\$521,554.00	no project with average score of less than 70 points funded, per grant application package
61.00	2003001	San Mateo, City of	Irrigation Conservation	\$155,252.00	no project with average score of less than 70 points funded, per grant application package
60.80	2003046	Regional Water Authority	ET Controllers-Large Landscape Sites Install. Pr.	\$1,657,900.00	no project with average score of less than 70 points funded, per grant application package
59.80	2003030	North of the River Municipal Water District	Multi Family Metering and Conservation Program	\$153,340.00	no project with average score of less than 70 points funded, per grant application package
59.50	2003027	Hemet, City of	High Efficiency Clothes Washer Rebate Program	\$50,000.00	no project with average score of less than 70 points funded, per grant application package
58.00	2003037	Dublin San Ramon Services District	Parks RFTA Water Distribution System Program	\$259,900.00	no project with average score of less than 70 points funded, per grant application package
56.80	2003014	Victor Valley Water District	ET Irrigation Controller Project	\$36,009.00	no project with average score of less than 70 points funded, per grant application package
56.40	2003020	Central Basin Municipal Water District / West Basin Municipal Water District	ET Controller Installation Program	\$312,340.00	no project with average score of less than 70 points funded, per grant application package
55.00	2003049	Placer County Water Agency	Dewitt Center Water Use Efficiency Project	\$428,360.00	no project with average score of less than 70 points funded, per grant application package
54.60	2003057	West San Bernardino County Water District	Water Loss Analysis & System Rehabilitation	\$850,000.00	no project with average score of less than 70 points funded, per grant application package

## Attachment B: Projects NOT Recommended for Funding

Score	Application #	Applicant	Project Title	Funds Requested	Comments
51.60	2003007	Calaveras County Water District	West Point Water Conservation Capital Outlay Grant	\$4,411,000.00	no project with average score of less than 70 points funded, per grant application package
49.30	2003039	El Dorado Irrigation District	CII Zero Consumption Urinal/PreRinse Nozzle Replace	\$297,000.00	no project with average score of less than 70 points funded, per grant application package
48.30	2003060	San Francisco Public Utilities Commission	Rebates for Commercial Ultra Low Flush Toilets	\$75,000.00	no project with average score of less than 70 points funded, per grant application package
43.00	2003055	Sutter, County of	Robbins Water Meter Retrofit Project	\$132,250.00	no project with average score of less than 70 points funded, per grant application package
43.00	2003058	San Francisco Public Utilities Commission	Commercial Clothes Washer Rebate	\$75,000.00	no project with average score of less than 70 points funded, per grant application package
43.00	2003028	Hollydale Mutual Water Company	Urban Water Conservation	\$89,000.00	no project with average score of less than 70 points funded, per grant application package
41.00	2003041	Compton Municipal Water Department	Compton CII WUE Project	\$650,000.00	no project with average score of less than 70 points funded, per grant application package
38.30	2003026	Rialto, City of	Rialto Leak Detection & Water Conservation Program	\$496,800.00	no project with average score of less than 70 points funded, per grant application package
34.80	2003059	San Francisco Public Utilities Commission	Rebates for Water Cooled Ice Machines	\$50,000.00	no project with average score of less than 70 points funded, per grant application package
34.40	2003040	El Dorado Irrigation District	Sly Park Recreation Area Water Line Replacement	\$1,530,000.00	no project with average score of less than 70 points funded, per grant application package
<b>TOTAL</b>				<b>\$21,236,184.00</b>	

## Attachment C: Ineligible Projects

Application #	Applicant	Project Title	Funds Requested
2003006	Rancho California Water District	Commercial Landscape Irrigation Audit	\$141,000.00
2003051	Placer County Water Agency	Swimming Pool Cover Incentive Program	\$15,000.00
2003022	Elsinore Valley Municipal Water District	Landscape Water Audit Program	\$58,260.00
TOTAL			\$214,260.00